



# County of El Dorado

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## Legislation Text

File #: 07-660, Version: 4

### ..Title

Transportation Director recommending his signature be ratified on Contract Change Order 1 with Granite Construction Company in the amount of \$40,000; and requesting authorization to issue Contract Change Order 1-1 to Granite Construction Company in the amount of \$9,304.51 to provide compensation for all labor, equipment, materials, and supplies necessary to complete needed dust control work at Green Valley Road and Silva Valley Parkway (Project 73312).

**FUNDING:** El Dorado Hills Traffic Impact Mitigation Fee Program and the West Slope Traffic Impact Mitigation Fee Program.

BUDGET SUMMARY:		
Total Estimated Cost		\$49,304.51
Funding		
Budgeted	\$ 49,304.51	
New Funding	\$	
Savings	\$	
Other	\$	
Total Funding Available	\$ 49,304.51	
Change To Net County Cost		\$0.00

### Fiscal Impact/Change to Net County Cost:

At the time of award for the Green Valley Road Intersection Improvements at Silva Valley Parkway, the Department of Transportation (Department) budgeted \$87,151.13 for supplemental items of work, including dust control, water pollution control, and traffic control. The actual cost of all supplemental work including this proposed change is \$84,645.39. Therefore, the execution of this proposed change will not exceed the Department's supplemental funds budgeted for this Project. There is no cost to the County General Fund.

### Background:

Section 10-1.10 of this Project's Special Provisions states that the cost of performing dust control shall be paid by the County via force account (time and materials) change order. Dust control, water pollution control, and traffic control work are paid in this manner because at bid time, it is extremely difficult for contractors to quantify the amount of work required for these items of work that are dependent upon subsurface conditions, weather, and changing traffic patterns. The County benefits from this method by eliminating higher costs and potential disputes that arise when bidders are required to put a fixed price on a scope of work that can be highly variable. On this Project, effective dust control required that the Contractor have at least one water truck and a vacuum sweeper on site and ready to work whenever dust-creating activities were anticipated.

With Resolution 106-93, the Board of Supervisors delegated contract change order (CCO) authority to the Directors of Transportation, Environmental Management, and the Chief Administrative Officer in an amount not to exceed the lesser of \$50,000 or 1% of the original contract value plus \$25,000. The original contract value for this Project was \$1,131,832.86, which set the departmental authority for this Project's CCOs at \$36,318.33. CCO 1 was written in the amount of \$40,000.00 to compensate Granite Construction Company (Contractor) for dust control. This CCO was inadvertently executed by the Department on September 18, 2006 without Board approval as required by Resolution 106-93. Therefore, the Department is bringing CCO 1 before your Board and requesting ratification of the Director of Transportation's signature on CCO 1. It should be noted that in late 2006, the Department drafted a CCO Procedure that will assist in preventing recurrences of this situation.

The actual cost of all dust control work on this Project totaled \$49,304.51. The Department could not finalize the cost of dust control work on this Project until March 19, 2007 because the Contractor did not submit billings for the dust work until well after the dust control work was completed, despite several requests made by the Department. In addition, once the billings were submitted, negotiations between the Department and the Contractor were required to segregate other Contract item costs from legitimate dust control costs. After the dust control costs were finalized, the Department generated CCO 1-1 in the amount of \$9,304.51 to cover the additional costs associated with dust control that exceeded the original allotment of \$40,000 established by CCO 1. It was at this time that the Department realized that CCO 1 should have been presented to your Board for approval.

**Reason for Recommendation:**

CCOs 1 and 1-1 were required to compensate the Contractor for costs incurred while controlling dust in accordance with the contract documents and El Dorado County Air Quality Management District (AQMD) Rule 223. Ratification of the Director of Transportation's signature on CCO 1 and Board approval of CCO 1-1 will enable the Department to pay the Contractor for work performed in accordance with the contract documents and AQMD Rule 223.

**Action to be taken following Board approval:**

Upon approval by the Board, the Director will issue CCO 1-1 to Granite Construction Company and finalize payment for all dust control work.

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